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Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Discussions on Possible Joint-Venture

Bisalloy Steel Group Ltd (ASX:BIS)(**Bisalloy or the Group**) is aware of a recent announcement to the Shanghai Stock Exchange by Jinan Iron & Steel Co. Limited (**Jinan**) that the Group and Jinan are in discussions to establish a joint-venture in China.

Bisalloy confirms that it is in discussions with Jinan. Bisalloy is constantly assessing ways to improve its efficiency and its penetration of prospective markets outside Australia, however no relevant transaction or contract which is material to the price or value of the Group's shares has been concluded with Jinan, and the Group is not able to advise with certainty if and when any such transaction or contract may be concluded.

Yours sincerely



David MacLaughlin
Company Secretary